

John C. Ruoff, Ph.D. on behalf of AARP South Carolina
Testimony to SC House Public Utilities Committee on H. 3659
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My name is John Ruoff. I am an AARP volunteer and appear on behalf of AARP South Carolina, with our 625,000 members in South Carolina.

We do not oppose the expansion of solar power South Carolina, but believe that there should be common-sense protections for low-income customers. South Carolina has over 825,000 senior Social Security recipients receiving an average benefit of \$1,229 monthly. Almost two in five live solely on their Social Security check. Their average benefit is only \$1,069 per month. AARP believes that any legislation with respect to distributed energy production should ensure that non-participating customers are not supporting the costs of solar customers. We are especially concerned that low-income customers, largely unable to access solar or other distributed generation, not be supporting access to solar for those who are financially better off. Low-income consumers already bear a significant energy burden when costs of energy are compared to their incomes. For low-income seniors living solely on Social Security, subsidizing solar power that they can't afford simply makes already difficult lives even harder.

Although AARP supports the availability of community solar programs as the most likely option for lower-income customers to have access to solar, there should be significant protections for those consumers to ensure that those customers are fairly

and accurately informed of potential benefits, costs and potential downsides of participating in a community solar program including what happens if you move. Those disclosures, provided before any contracts are signed, should, in plain English or other language appropriate to the customer, be devoid of gobbledygook, jargon and legalese. Those disclosures should include whether the presence of a community solar agreement will have any potential impact on rents paid by the customer. For example, many public or subsidized housing communities base rents on a percentage of income for rents and utilities combined. Absent an agreement with the owner, cutting utility costs just raises the rent and provides no financial advantage to the tenant. These disclosures should require approval by the Office of Regulatory Staff.

Although time-of-use rates have potential to advantage consumers by giving them greater control over electric bills, effective use of those rate structures require effectively real-time data on electric use and smart appliances which can be regulated according to that data. For low-income customers who lack access to that real-time data and those smart appliances, time-of-use and similar rates can lead to less efficient and more expensive electric consumption. Plain language disclosures should be required regarding the tools required effectively to take advantage of time-of-use or similar rates.

AARP believes that the General Assembly should provide policy direction to the Office of Regulatory Staff on Consumer Protection. The Office of Regulatory Staff should be informed by a stakeholder process, but final determination of those protections should lie with ORS. The General Assembly should direct ORS to:

1. develop a disclosure document that must be provided to consumers prior to sale, finance or lease of solar installation;
2. require that any disclosures or contracts are written in plain language appropriate to the customer;
3. require disclosures accurately and clearly to disclose costs of installation, costs of maintenance, expected time for full recovery of costs of installation and reasonably expected maintenance given projected energy costs and savings;
4. require disclosures accurately and plainly to explain to lessees costs of removal of the system, the ability of future homeowners to assume the lease and costs of buying out the lease;
5. require ORS or the Public Service Commission to develop standard inputs for calculation and presentation of energy savings to potential buyers;
6. to ensure borrowers and lessees of distributed generation equipment have the ability to meet their loan or lease obligations given the customer's income and usual obligations;

7. require a three-day cooling-off period on contracts, during which the customer may cancel the agreement;
8. prohibit misleading marketing practices; pressure to sign a contract or agreement on the same day by solar salespersons; incomplete or incorrect information about the costs and benefits of rooftop solar; and predatory financing;
9. Require utilities to obtain verification that solar customers have received and read the solar information packet and the required disclosures through an interconnection portal, prior to installing the solar systems.
10. require the utilities to collect the installation contracts from solar contractors and forward the contracts to ORS for review upon request.
11. require that only solar providers with valid and appropriate licensure will be authorized to install solar energy systems and interconnect customers to the utility's distribution system.

